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APR 25 2007

In re Application of
ALFRED A. MARGARYAN
Application No. 10/054,328
Filed: January 21, 2002
Attorney Docket No. n/a

OFFICE OF PETITIONS

ON PETITION

This is a decision on the petition under the unintentional provisions of 37 CFR 1.137(b), filed June 6, 2006, to revive the above-identified application.

The petition is **DISMISSED**.

Any request for reconsideration of this decision must be submitted within TWO (2) MONTHS from the mail date of this decision. Extensions of time under 37 CFR 1.136(a) are permitted. The reconsideration request should include a cover letter entitled "Renewed Petition under 37 CFR 1.137(b)." This is **not** a final agency action within the meaning of 5 U.S.C. § 704.

The application became abandoned for failure to timely reply within the meaning of 37 CFR 1.113 to the final Office action, mailed November 18, 2003, which set a shortened statutory period for reply of three (3) months. No extensions of time under the provisions of 37 CFR 1.136(a) were obtained. Accordingly, the application became abandoned on February 19, 2003. A Notice of Abandonment was mailed on July 1, 2004.

A grantable petition under 37 CFR 1.137(b) must be accompanied by: (1) the required reply, unless previously filed; (2) the petition fee as set forth in 37 CFR 1.17(m); (3) a statement that the entire delay in filing the required reply from the due date for the reply until the filing of a grantable petition pursuant to 37 CFR 1.137(b) was unintentional; and (4) any terminal disclaimer (and fee as set forth in 37 CFR 1.20(d)) required by 37 CFR 1.137(d). Where there is a question as to whether either the abandonment or the delay in filing a petition under 37 CFR 1.137 was unintentional, the Director may require additional information. See MPEP 711.03(c)(II)(C) and (D). **The instant petition lacks item (3).**

Petitioner has not shown to the satisfaction of the Director that the delay was unintentional under 37 CFR 1.137(b).

The statement of unintentional delay was made by attorney Peter Ganjian, who was not in a position to have firsthand or direct knowledge of the facts and circumstances of the delay at issue. Petitioner filed a "supplemental statement establishing unintentional delay" made by Mr. Jack J. Illare to explain the circumstances of the delay.

The record states that Dr. Lonnie Lindsey was the sole director and president of Nano Teknologies, LLC., the assignee at the time the application became abandoned. Dr. Lindsey's responsibilities included the management of the company's day-to-day activities and the protection and maintenance of the company's intellectual property. The attorney of record for the application was Dennis W. Beech. All prosecution correspondence from the USPTO was sent to Mr. Beech who then routed the communications to Dr. Lindsey¹ for instruction. Mr. Illare was a passive investor in company, Nano Teknologies, who on record does not appear to be directly involved in the prosecution of the application.

Where the applicant permits a third party (whether a partial assignee, licensee, or other party) to control the prosecution of an application, the third party's decision whether or not to file a reply to avoid abandonment is binding on the applicant. See Winkler, 221 F. Supp. at 552, 138 USPQ at 667. Where an applicant enters an agreement with a third party for the third party to take control of the prosecution of an application, the applicant will be considered to have given the third party the right and authority to prosecute the application to avoid abandonment (or not prosecute), unless, by the express terms of the contract between applicant and the third party, the third party is conducting the prosecution of the application for the applicant solely in a fiduciary capacity. See Futures Technology Ltd. v. Quigg, 684 F. Supp. 430, 431, 7 USPQ2d 1588, 1589 (E.D. Va. 1988). Otherwise, the applicant will be considered to have given the third party unbridled discretion to prosecute (or not prosecute) the application to avoid abandonment, and will be bound by the actions or inactions of such third party.

Where the applicant deliberately permits an application to become abandoned (e.g., due to a conclusion that the claims are unpatentable, that a rejection in an Office action cannot be overcome, or that the invention lacks sufficient commercial value to justify continued prosecution), the abandonment of such application is considered to be a deliberately chosen course of action, and the resulting delay cannot be considered as "unintentional" within the meaning of 37 CFR 1.137(b). See In re Application of G, 11 USPQ2d 1378, 1380 (Comm'r Pat. 1989). An intentional course of action is not rendered unintentional when, upon reconsideration, the applicant changes his or her mind as to the course of action that should have been taken. See In re Maldague, 10 USPQ2d 1477, 1478 (Comm'r Pat. 1988).

The record shows that the Dr. Lindsey and Dennis W. Beech appeared to be the responsibility party for the prosecution of the application when the reply necessary to avoid abandonment was due. As a passive investor Mr. Llare is not the responsible party in the prosecution of the application. Therefore, the statements made by Mr. Llare are not sufficient to establish why no response was filed to the office action of November 13, 2003. Petitioner has not provided any

¹ Mr. Beech also forwarded the USPTO correspondence to the inventor Dr. Margaryan, who was fired from Nano Teknologies on April 28, 2002. Dr. Margaryan assigned his rights to Nano Teknologies on June 23, 2003.

evidence to show that the abandonment was unintentional. While Mr. Illare asserts that Dr. Lindsey may have mislead him and mishandled the intellectual property matters before Nano Teknologies, the record shows that control of the prosecution was given to Dr. Lindsey. As the responsible party, if Dr. Lindsey and/or Mr. Beech made a deliberately chosen course of action not to continue prosecution of the application, then their actions or inactions with regard to the application is not unintentional. Therefore petitioner should further provide a statement from Dennis W. Beech², the attorney of record at the time of abandonment, or other supporting documentation by the responsible party, explaining why action was not timely taken to prevent the application from becoming abandoned.

Petitioner must explain what effort(s) was made to further reply to the outstanding Office action and further, why no reply was filed. If no effort was made to further reply, then petitioner must explain why the delay in this application does not result from a deliberate course of action (or inaction). Likewise, as Mr. Beech was counsel of record at the date of abandonment, Mr. Beech should explain why this application became abandoned while it was under their control and what efforts Mr. Beech made to further reply and with whom this matter was discussed. Copies of any correspondence relating to the filing, or to not file a further reply to the outstanding Office action are required from Mr. Beech, Dr. Lindsey and the responsible person(s) at Nano Teknologies, and whoever else was involved with this application at the time of abandonment. Statements are required from any and all persons then at Nano Teknologies, and Mr. Beech's office, having firsthand knowledge of the circumstances surrounding the lack of a reply to the outstanding Office action.

The new Power of Attorney filed June 6, 2006 has not been accepted. The power of attorney was signed by Jack J. Illare, III as the managing partner/president of the assignee Nano Teknologies, Inc. USPTO records show that this application has been assigned to another company and Nano Teknologies is no longer the current assignee. The statement under 37 CFR 3.73(b) filed concurrently with the power of attorney fails to established ownership in the application as Nano Teknologies is no longer the current assignee. Accordingly, prior assignee Nano Teknologies does not have the authority to take action with respect to the application.

There is no indication that the person signing the petition was ever given a power of attorney to prosecute the application. If the person signing the petition desires to receive future correspondence regarding this application, the appropriate power of attorney document must be submitted. While a courtesy copy of this decision is being mailed to the person signing the petition, all future correspondence will be directed to the address currently of record until appropriate instructions are received.

Further correspondence with respect to this matter should be addressed as follows:

By Mail: Mail Stop PETITION
 Commissioner for Patents
 P. O. Box 1450

² Mr. Illare states he was informed on February 2005 that Dr. Lindsey passed away.

Alexandria, VA 22313-1450

By hand:

U. S. Patent and Trademark Office
Customer Service Window, Mail Stop Petitions
Randolph Building
401 Dulany Street
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The centralized facsimile number is (571) 273-8300.

Telephone inquiries concerning this decision should be directed to Amelia Au at (571) 272-7414.



Brian Hearn
Petitions Examiner
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